

GRETCHEN WHITMER GOVERNOR

### STATE OF MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY LANSING

JEFF DONOFRIO DIRECTOR

#### **MEMORANDUM**

**DATE:** March 31, 2020

**TO:** The Honorable Mike Shirkey

Senate Majority Leader

The Honorable Jim Ananich Senate Minority Leader

The Honorable Lee Chatfield

Speaker of the House

The Honorable Christine Greig

House Minority Leader

Ron Owens

**Executive Office of Governor Whitmer** 

**FROM:** Sean Egan

Deputy Director, Labor

Department of Labor and Economic Opportunity

**SUBJECT:** Public Act 317 of 1969, Section 391(6) Report

Per Public Act 317 of 1969, Section 391(6), the Workers Disability Compensation Agency shall report by April 1 to the Governor and the Legislature on the Compensation Supplemental Fund.

Should you have any questions regarding this report or need additional information please contact Andrew Beardslee, LEO Legislative Analyst, at (517) 388-6101.

### **Compensation Supplement Fund**

Pursuant to Public Act 317 of 1969, as amended, Section 391(6)

### Calendar Year 2019

Prepared by

Workers' Disability Compensation Agency
Jack A. Nolish, Director

March 31, 2020



Jeff Donofrio, Director



GRETCHEN WHITMER
GOVERNOR

## STATE OF MICHIGAN DEPARTMENT OF LABOR AND ECONOMIC OPPORTUNITY WORKERS' DISABILITY COMPENSATION AGENCY JACK A. NOLISH, DIRECTOR

JEFF DONOFRIO DIRECTOR

March 31, 2020

The Honorable Gretchen Whitmer Governor of the State of Michigan

Senator Mike Shirkey Senate Majority Leader

Senator Jim Ananich Senate Minority Leader

Representative Lee Chatfield Speaker of the House

Representative Christine Greig House Minority Leader

This report is being submitted in compliance with Section 391(6) of the Workers' Disability Compensation Act, Act 317 of the Public Acts of 1969, as amended. From January 1, 2019 through December 31, 2019, the Compensation Supplement Fund processed the following amounts in payments and credits:

Payments \$ 441,133.20 Tax Credits \$ 886,041.66 \$ 1,327,174.86

The Compensation Supplement Fund was created in 1981 to pay weekly workers' compensation cost of living increases from the state general fund to injured workers whose injury dates occurred between September 1, 1965 and December 31, 1979. The inflation factor percentage is based on the date of injury and is greater for those workers injured in 1965 than in 1979 (Section 352 of the Workers' Disability Compensation Act, Act 317 of the Public Acts of 1969, as amended).

Page 2 March 31, 2020

Insurers and self-insurers pay the increased benefits and submit quarterly reimbursement requests to our agency. Reimbursement is provided in the form of a pay warrant or a Tax credit. Pay warrants are commonly issued to companies with no tax liability within the state of Michigan such as governmental units. All other insurers and self-insurers receive Tax credits which are periodically verified by the Michigan Department of Treasury for proper credit.

Sincerely,

Jack A. Nolish, Director

Workers' Disability Compensation Agency

Attachment

cc: Jeff Donofrio Brian Carpenter

Marilyn Carey

# Department of Labor and Economic Opportunity Workers' Disability Compensation Agency Compensation Supplement Fund Calendar Year 2019

CARRIER NAME	PAYMENTS		TAX CREDITS		TOTAL	
	# Claims	Amount	# Claims	Amount	# Claims	
Accident Fund Insurance Company of America			52	\$22,483.83	52	\$22,483.83
ACE INA			31	\$10,382.65	31	\$10,382.65
AIG			1	\$316.80	1	\$316.80
Allstate Insurance Company			8	\$4,329.83	8	\$4,329.83
American Insurance Company			1	\$206.83	1	\$206.83
American Policyholders Insurance Company			4	\$2,764.83	4	\$2,764.83
Amerisure Mutual Insurance Company			91	\$41,220.24	91	\$41,220.24
Ameritech	20	\$9,042.00			20	\$9,042.00
Argonaut Insurance Company			9	\$3,484.86	9	\$3,484.86
Arrowpoint Capital Corporation	8	\$2,660.50			8	\$2,660.50
Associated Indemnity Co			8	\$2,396.60	8	\$2,396.60
Auto Owners Insurance Company			15	\$6,911.26	15	\$6,911.26
Budd Company	4	\$2,399.66			4	\$2,399.66
Citizens Insurance Company			8	\$3,077.83	8	\$3,077.83
City of Detroit	24	\$9,956.00			24	\$9,956.00
City of Flint	8	\$3,702.14			8	\$3,702.14
City of Grand Rapids	5	\$5,017.84			5	\$5,017.84
City of Highland Park	4	\$2,347.50			4	\$2,347.50
City of Kalamazoo	8	\$2,815.71			8	\$2,815.71
City of Lansing	4	\$991.17			4	\$991.17
City of Livonia	8	\$3,077.83			8	\$3,077.83
City of Saginaw	7	\$4,339.32			7	\$4,339.32
Cliffs Natural Resources	29	\$19,635.20			29	\$19,635.20
CNA Insurance Co			4	\$2,244.60	4	\$2,244.60
Conocophillips Company	20	\$9,606.63			20	\$9,606.63
Consumers Energy Company	8	\$4,063.80			8	\$4,063.80
Continental Insurance Company			38	\$16,104.56	38	\$16,104.56
County of Wayne	16	\$9,027.07			16	\$9,027.07
Dana Corporation	8	\$3,130.00			8	\$3,130.00
Detroit Public Schools	8	\$3,393.00			8	\$3,393.00
DTE Energy	44	\$18,366.56			44	\$18,366.56
Eaton Corporation	4	\$2,608.34			4	\$2,608.34
Electric Mutual Liability			3	\$923.16	3	\$923.16
Electrolux North America Inc	3	\$1,018.33			3	\$1,018.33
Employers Reinsurance Corporation			4	\$1,252.00	4	\$1,252.00

# Department of Labor and Economic Opportunity Workers' Disability Compensation Agency Compensation Supplement Fund Calendar Year 2019

	PAYMENTS		TAX CREDITS		TOTAL	
CARRIER NAME	# Claims	Amount	# Claims	Amount	# Claims	
Farm Bureau Insurance Group			16	\$5,898.60	16	\$5,898.60
FCA US, LLC (Chrysler)			464	\$211,776.80	464	\$211,776.80
Fireman's Fund Ins Co			8	\$3,959.60	8	\$3,959.60
Ford Motor Company	355	\$168,855.65			355	\$168,855.65
General Motors Corporation			812	\$388,370.60	812	\$388,370.60
Greif Inc	4	\$2,192.40			4	\$2,192.40
Hartford Casualty Insurance Company			14	\$6,202.84	14	\$6,202.84
Hartford Fire Insurance Company			8	\$1,770.83	8	\$1,770.83
Hartford Insurance Grooup			24	\$11,125.50	24	\$11,125.50
Henry Ford Health System	5	\$3,453.84			5	\$3,453.84
International Paper Company	4	\$2,295.33			4	\$2,295.33
International Truck & Engine	2	\$1,060.80			2	\$1,060.80
Kroger Company	3	\$626.67			3	\$626.67
Liberty Mutual Fire Insurance			7	\$2,591.17	7	\$2,591.17
Liberty Mutual Insurance			26	\$15,639.00	26	\$15,639.00
MI Property & Casualty Guaranty Association	83	\$36,683.56			83	\$36,683.56
Michelin North America	11	\$5,466.49			11	\$5,466.49
Michigan State University	2	\$1,326.00			2	\$1,326.00
Oakwood Healthcare Inc	5	\$716.83			5	\$716.83
Ohio Casualty Insurance			13	\$4,738.00	13	\$4,738.00
OneBeacon America Insurance Company			9	\$4,541.57	9	\$4,541.57
OneBeacon Insurance Company			10	\$5,320.14	10	\$5,320.14
Polyone Corporation	8	\$4,329.84			8	\$4,329.84
Proctor & Gamble	8	\$5,208.34			8	\$5,208.34
Sears Roebuck & Company	9	\$2,792.34			9	\$2,792.34
Seg Workers Disbility Comp Fund	7	\$1,462.40			7	\$1,462.40
Self Insurers' Security Fund	52	\$24,811.65			52	\$24,811.65
St. Paul Fire & Marine Insurance			4	\$939.60	4	\$939.60
State of Michigan	115	\$50,322.46			115	\$50,322.46
Tilden Magnetite Partnership	2	\$943.20			2	\$943.20
Transportation Insurance Company			4	\$2,349.00	4	\$2,349.00
Travelers Casualty & Surety			32	\$16,817.93	32	\$16,817.93
Travelers Property Casualty Company			106	\$53,970.63	106	\$53,970.63
United States Fidelity & Guaranty			8	\$2,450.71	8	\$2,450.71
United States Steel Corporation	7	\$4,813.50			7	\$4,813.50
Valley Forge Insurance Company			4	\$1,148.40	4	\$1,148.40

# Department of Labor and Economic Opportunity Workers' Disability Compensation Agency Compensation Supplement Fund Calendar Year 2019

	PAYMENTS		TAX CREDITS		TOTAL	
CARRIER NAME	# Claims	Amount	# Claims	Amount	# Claims	
Vocationally Handicapped Fund	16	\$4,016.83			16	\$4,016.83
Waterford School District	4	\$417.33			4	\$417.33
Wausau Insurance Company			61	\$28,330.86	61	\$28,330.86
Wayne State University	8	\$1,669.34			8	\$1,669.34
William Beaumont Hospital	4	\$469.80			4	\$469.80
TOTAL	954	\$441,133.20	1,907	\$886,041.66	2,861	\$1,327,174.86